

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION

IN RE JUUL LABS, INC.,
MARKETING, SALES PRACTICES,
AND PRODUCTS LIABILITY
LITIGATION

Case No. 3:19-md-02913-WHO

**DECLARATION OF SARAH R. LONDON IN
SUPPORT OF FEE COMMITTEE'S FIRST
SUPPLEMENTAL RECOMMENDATIONS
RE: EXPENSE PAYMENTS**

This Document Relates to:

All Cases

1 I, Sarah R. London, declare and state as follows:

2 1. I am an attorney in the law firm of Lieff, Cabraser, Heimann & Bernstein, LLP. I
 3 serve as Co-Lead Counsel and Liaison Counsel in this litigation. I am a member of the State Bar
 4 of California and am admitted to practice before this Court. I make this declaration based on my
 5 own personal knowledge. If called upon to testify, I could and would testify competently to the
 6 truth of the matters stated herein.

7 2. I submit this declaration in support of the Fee Committee's Altria Settlement Fee
 8 Recommendations and First Supplemental Expense Recommendations.

9 **The Fee Committee's Approach to Altria-Related Fees**

10 3. When allocating fees in connections with the JLI settlements, the Fee Committee
 11 was aware of the estimated fees to come from the Altria settlements, as well as the efforts various
 12 firms put towards both class certification and the *SFUSD* trial against Altria.

13 4. To set firms' expectations, the Fee Committee determined it made sense to account
 14 for the potential Altria fees in allocating JLI fees.

15 5. In particular, the Committee decided that, for most firms, their JLI allocation
 16 would reflect their contributions to the litigation as a whole. They would receive no additional
 17 Altria allocation.

18 6. A few firms, especially those that contributed most significantly to the *SFUSD*
 19 trial or to class certification, would receive Altria-specific allocations (and bear the risks that the
 20 Court would reduce the Altria class fee or the Altria settlements would not become final).

21 7. The Fee Committee communicated this determination to all affected firms, and
 22 they were given the opportunity to respond or object.

23 8. On February 26, 2023, the Fee Committee sent to each firm that reported common
 24 benefit time to this Court or the JCCP the Committee's Altria-related recommendations.

25 9. The Committee invited any firm that wished to discuss their proposed allocation to
 26 schedule a meeting with the Committee. A few firms requested and received meetings.

27 10. The Committee took those meetings into account when crafting the allocation
 28 attached to these Recommendations.

1 **Status of CMO 5(A) Cost Accounts**

2 11. As directed by the Court's order approving Fee Committee recommendations
 3 (ECF 4178), in my role as Co-Lead Counsel, Liaison Counsel, and JLI Settlement Trustee, I
 4 directed that the Court's authorized fee and cost payments be made from the CMO 5(A) cost fund
 5 established in connection with the JLI settlements.

6 12. The Settlement Trust paid out approximately 93% of the awarded cost fund
 7 assessments and held costs, \$700,000 in pending and anticipated expenses to the MDL cost fund,
 8 and \$1,350,000 to BrownGreer PLC, reflecting its initial invoices.

9 13. As of April 1, 2024, the CMO 5(A) cost fund currently has approximately
 10 \$1,883,000. We deliberately held back this amount to ensure sufficient funds to pay the MDL's
 11 ongoing bills while awaiting future payments from the JLI and Altria settlements.

12 14. More funds are expected when the Altria settlements become effective, and when
 13 JLI makes its future settlement payments.

14 15. After the Court approved the Fee Committee Recommendations, Co-Lead
 15 Counsel became aware of two record-keeping errors in the held cost data. First, certain held costs
 16 (\$28,996.21) were inadvertently attributed to one firm when they should have been attributed to
 17 two other firms. This error will be corrected in future cost payments. Second, one firm had a
 18 \$200,000 cost fund assessment that was mistakenly double-counted. This error has already been
 19 accounted for by reducing one of that firm's fee payment (with the difference transferred from the
 20 fee account to the cost account).

21 **REQUESTED COST REIMBURSEMENTS**

22 16. Since the Court approved the Fee Committee's Recommendations, several cost-
 23 related developments have occurred. First, MDL and JCCP firms continued to report their held
 24 costs to Judge Andler and to the Court (for MDL firms). Second, the MDL cost fund continues to
 25 incur expenses related to MDL management generally. And third, the Tribal Subcommittee has
 26 established a Tribal Litigation Fund to manage common expenses related to the ongoing tribal
 27 litigation against Altria. Fourth, BrownGreer PLC has submitted invoices and projected expenses
 28 that exceed the \$4.3 million the Court has already authorized.

1 17. The Fee Committee recommends the Court authorize additional reimbursements in
 2 all three areas. At this time, there are not sufficient funds available to reimburse all of the held
 3 costs, but the Fee Committee anticipates making those payments when future JLI and Altria
 4 settlement payments are made.

5 18. The Committee recommends reimbursement of \$2,076,034.37 in MDL held costs
 6 and \$121,903.33 in JCCP held costs. These numbers account for a large trial-related cost reversal
 7 that will be included in the March 15, 2024 report to the Court. As with the held costs previously
 8 authorized by the Court, all of these amounts were submitted to and approved by Judge Andler.

9 19. Even in a settlement posture, this litigation continues to require significant
 10 ongoing expenses, including large document hosting costs and Special Master fees. To simplify
 11 ongoing cost payments, the MDL and the JCCP have agreed that significant ongoing expenses
 12 will be paid for out of the MDL cost fund. As of March 25, 2024, the JCCP cost fund had a
 13 current balance of approximately \$5,900, will use these funds to pay ongoing expenses in
 14 connection with JCCP proceedings, and will transmit the balance to the MDL at the appropriate
 15 time. As of April 9, 2024, the MDL cost fund has a balance of \$34,758.26 and outstanding bills of
 16 \$722,051.33.

17 20. The Altria settlements include personal injury, government entity, and class
 18 plaintiffs, but did not include the tribal cases. Those cases continue to be litigated.

19 21. The Court-appointed Tribal Subcommittee, consistent with CMO 5 and with the
 20 approval and under the supervision of Co-Lead Counsel, established a Tribal Litigation Fund to
 21 manage expenses for that ongoing litigation that meet the definition of “Shared Costs” in CMO 5.

22 22. At this time, firms have contributed \$750,000 into the tribal litigation fund. As of
 23 March 27, 2024, the fund had \$59,828.50 in remaining funds (with \$19,074.06 in invoices
 24 outstanding), which will be used to pay ongoing tribal-related expenses.

25 23. The Court earlier authorized payment up to \$4.3 million to the BrownGreer PLC,
 26 the non-class settlement administrator. Co-Lead Counsel directed payments of \$1,350,000 in
 27 initial invoices. BrownGreer has now submitted invoices for an additional \$3,127,029.23.

28

1 BrownGreer estimates its future fees and expenses in connection with administering the JLI and
2 Altria settlements will be \$572,000.

3 24. Exhibit 1 to the Fee Committee's Recommendations (ECF 4152-2) inadvertently
4 omitted one firm's contribution of \$300,000. Exhibit 2 to these Recommendations includes that
5 omitted amount.

6 I declare under the penalty of perjury that the foregoing is true and correct.

7 || Executed this 9th day of April, 2024, in San Francisco, California.

/s/ Sarah R. London

Sarah R. London